

GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2019

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SENATE BILL 818
PROPOSED COMMITTEE SUBSTITUTE S818-PCS45475-MTa-12

Short Title: Compensation of Certain School Employees. (Public)

Sponsors:

Referred to:

May 20, 2020

A BILL TO BE ENTITLED
AN ACT TO PROVIDE FOR THE COMPENSATION OF CERTAIN PUBLIC SCHOOL
EMPLOYEES.

The General Assembly of North Carolina enacts:

PART I. TEACHER SALARY SCHEDULE

SECTION 1.(a) The following monthly teacher salary schedule shall apply for the
2020-2021 fiscal year to licensed personnel of the public schools who are classified as teachers.
The salary schedule is based on years of teaching experience.

2020-2021 Teacher Monthly Salary Schedule

Years of Experience	"A" Teachers
0	\$3,500
1	\$3,600
2	\$3,700
3	\$3,800
4	\$3,900
5	\$4,000
6	\$4,100
7	\$4,200
8	\$4,300
9	\$4,400
10	\$4,500
11	\$4,600
12	\$4,700
13	\$4,800
14	\$4,900
15-24	\$5,000
25+	\$5,200.

SECTION 1.(b) Salary Supplements for Teachers Paid on This Salary Schedule. –

- (1) Licensed teachers who have NBPTS certification shall receive a salary supplement each month of twelve percent (12%) of their monthly salary on the "A" salary schedule.
- (2) Licensed teachers who are classified as "M" teachers shall receive a salary supplement each month of ten percent (10%) of their monthly salary on the "A" salary schedule.



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(3) Licensed teachers with licensure based on academic preparation at the six-year degree level shall receive a salary supplement of one hundred twenty-six dollars (\$126.00) per month in addition to the supplement provided to them as "M" teachers.

(4) Licensed teachers with licensure based on academic preparation at the doctoral degree level shall receive a salary supplement of two hundred fifty-three dollars (\$253.00) per month in addition to the supplement provided to them as "M" teachers.

(5) Certified school nurses shall receive a salary supplement each month of ten percent (10%) of their monthly salary on the "A" salary schedule.

SECTION 1.(c) The first step of the salary schedule for (i) school psychologists, (ii) school speech pathologists who are licensed as speech pathologists at the master's degree level or higher, and (iii) school audiologists who are licensed as audiologists at the master's degree level or higher shall be equivalent to the sixth step of the "A" salary schedule. These employees shall receive a salary supplement each month of ten percent (10%) of their monthly salary and are eligible to receive salary supplements equivalent to those of teachers for academic preparation at the six-year degree level or the doctoral degree level.

SECTION 1.(d) The twenty-sixth step of the salary schedule for (i) school psychologists, (ii) school speech pathologists who are licensed as speech pathologists at the master's degree level or higher, and (iii) school audiologists who are licensed as audiologists at the master's degree level or higher shall be seven and one-half percent (7.5%) higher than the salary received by these same employees on the twenty-fifth step of the salary schedule.

SECTION 1.(e) Beginning with the 2014-2015 fiscal year, in lieu of providing annual longevity payments to teachers paid on the teacher salary schedule, the amounts of those longevity payments are included in the monthly amounts under the teacher salary schedule.

SECTION 1.(f) A teacher compensated in accordance with this salary schedule for the 2020-2021 school year shall receive an amount equal to the greater of the following:

- (1) The applicable amount on the salary schedule for the applicable school year.
- (2) For teachers who were eligible for longevity for the 2013-2014 school year, the sum of the following:
 - a. The salary the teacher received in the 2013-2014 school year pursuant to Section 35.11 of S.L. 2013-360.
 - b. The longevity that the teacher would have received under the longevity system in effect for the 2013-2014 school year provided in Section 35.11 of S.L. 2013-360 based on the teacher's current years of service.
 - c. The annual bonus provided in Section 9.1(e) of S.L. 2014-100.
- (3) For teachers who were not eligible for longevity for the 2013-2014 school year, the sum of the salary and annual bonus the teacher received in the 2014-2015 school year pursuant to Section 9.1 of S.L. 2014-100.

SECTION 1.(g) As used in this section, the term "teacher" shall also include instructional support personnel.

PART II. TEACHER BONUSES

SECTION 2.(a) No later than October 31, 2020, the Department of Public Instruction shall administer a one-time, lump sum bonus of three hundred fifty dollars (\$350.00) to every teacher who, as of October 1, 2020, is employed as a teacher in a qualifying public school unit.

SECTION 2.(b) As used in this section, the following definitions shall apply:

- (1) Teacher. – Teachers and instructional support personnel.
- (2) Qualifying public school unit. – Any of the following:
 - a. A local school administrative unit.

- b. A charter school.
- c. A regional school.
- d. An innovative school.
- e. A laboratory school under Article 29A of Chapter 116 of the General Statutes.

SECTION 2.(c) The bonuses awarded pursuant to this section shall be in addition to any regular wage or other bonus the teacher receives or is scheduled to receive.

SECTION 2.(d) Notwithstanding G.S. 135-1(7a), the bonuses awarded pursuant to this section are not compensation under Article 1 of Chapter 135 of the General Statutes, the Teachers' and State Employees' Retirement System.

SECTION 2.(e) For charter schools, regional schools, innovative schools, and laboratory schools, the Department of Public Instruction shall allocate funds for the bonuses provided pursuant to this section on the basis of the allotted average daily membership of each school.

SECTION 2.(f) The bonuses awarded pursuant to this section do not apply to any teacher no longer employed as a teacher due to resignation, dismissal, reduction in force, death, or retirement or whose last workday is prior to October 1, 2020.

SECTION 2.(g) It is the intent of the General Assembly that funds provided pursuant to this section will supplement teacher compensation and not supplant local funds.

SECTION 2.(h) For the 2020-2021 fiscal year, funds appropriated from the General Fund to the Department of Public Instruction for the following bonus programs shall instead be used for bonuses for teachers in accordance with subsections (a) through (g) of this section:

- (1) The Advanced Placement/International Baccalaureate/Cambridge AICE Teacher Bonus Program provided in Section 8.8 of S.L. 2016-94, as amended by Section 8.8B of S.L. 2017-57, Section 2.10 of S.L. 2017-97, and Section 8.10 of S.L. 2018-5.
- (2) The Industry Certifications and Credentials Teacher Bonus Program provided in Section 8.9 of S.L. 2016-94, as amended by Section 8.8B of S.L. 2017-57, Section 2.10 of S.L. 2017-97, and Section 8.10 of S.L. 2018-5.
- (3) The Third Grade Read to Achieve Teacher Bonus Program provided in Section 8.8C of S.L. 2017-57, as amended by Section 2.10 of S.L. 2017-97 and Section 8.10 of S.L. 2018-5.
- (4) The Fourth and Fifth Grade Reading Teacher Bonus Program provided in Section 8.8D of S.L. 2017-57, as amended by Section 8.11 of S.L. 2018-5.
- (5) The Fourth to Eighth Grade Math Teacher Bonus Program provided in Section 8.8E of S.L. 2017-57, as amended by Section 8.12 of S.L. 2018-5.

SECTION 2.(i) For the 2021-2022 fiscal year and subsequent fiscal years, it is the intent of the General Assembly to reauthorize bonuses for teachers based on the criteria used in the programs identified in subdivisions (1) through (5) of subsection (h) of this section.

PART III. ADDITIONAL BONUSES ENCOURAGED FOR CERTAIN PUBLIC SCHOOL EMPLOYEES

SECTION 3. For the 2020-2021 fiscal year, the General Assembly encourages the Governor to allocate funds from the Governor's Emergency Education Relief Fund to provide a one-time, lump sum bonus of five hundred dollars (\$500.00) for each person employed in the public schools who is classified as one of the following:

- (1) Teacher.
- (2) Instructional support personnel.
- (3) Noncertified personnel.

PART IV. PRINCIPAL SALARY SCHEDULE

SECTION 4.(a) The following annual salary schedule for principals shall apply for the 2020-2021 fiscal year, beginning July 1, 2020:

2020-2021 Principal Annual Salary Schedule

Avg. Daily Membership	Base	Met Growth	Exceeded Growth
0-200	\$68,125	\$74,938	\$81,750
201-400	\$71,531	\$78,684	\$85,837
401-700	\$74,938	\$82,432	\$89,926
701-1,000	\$78,344	\$86,178	\$94,013
1,001-1,600	\$81,750	\$89,925	\$98,100
1,601+	\$85,156	\$93,672	\$102,187.

A principal's placement on the salary schedule shall be determined according to the average daily membership of the school supervised by the principal, as described in subsection (b) of this section, and the school growth scores, calculated pursuant to G.S. 115C-83.15(c), for each school the principal supervised in at least two of the prior three school years, as described in subsection (c) of this section, regardless of a break in service, and provided the principal supervised each school as a principal for at least a majority of the school year, as follows:

- (1) A principal shall be paid according to the Exceeded Growth column of the schedule if the school growth scores show the school or schools exceeded expected growth in at least two of the prior three school years.
- (2) A principal shall be paid according to the Met Growth column of the schedule if any of the following apply:
 - a. The school growth scores show the school or schools met expected growth in at least two of the prior three school years.
 - b. The school growth scores show the school or schools met expected growth in at least one of the prior three school years and exceeded expected growth in one of the prior three school years.
 - c. The principal supervised a school in at least two of the prior three school years that was not eligible to receive a school growth score.
- (3) A principal shall be paid according to the Base column if either of the following apply:
 - a. The school growth scores show the school or schools did not meet expected growth in at least two of the prior three years.
 - b. The principal has not supervised any school as a principal for a majority of the school year in at least two of the prior three school years.

SECTION 4.(b) For purposes of determining the average daily membership of a principal's school, the following amounts shall be used during the following time periods:

- (1) Between July 1, 2020, and December 31, 2020, the average daily membership for the school from the 2019-2020 school year. If the school did not have an average daily membership in the 2019-2020 school year, the projected average daily membership for the school for the 2020-2021 school year.
- (2) Between January 1, 2021, and June 30, 2021, the average daily membership for the school for the 2020-2021 school year.

SECTION 4.(c) For purposes of determining the school growth scores for each school the principal supervised in at least two of the prior three school years, the school growth scores from the 2016-2017, 2017-2018, and 2018-2019 school years shall be used. If a principal does not have a school growth score from any of the school years identified in this subsection, the most recent available growth scores, up to the 2018-2019 school year, shall be used.

SECTION 4.(d) Beginning with the 2017-2018 fiscal year, in lieu of providing annual longevity payments to principals paid on the principal salary schedule, the amounts of those longevity payments are included in the annual amounts under the principal salary schedule.

SECTION 4.(e) A principal compensated in accordance with this section for the 2020-2021 fiscal year shall receive an amount equal to the greater of the following:

- (1) The applicable amount on the salary schedule for the applicable year.
- (2) For principals who were eligible for longevity in the 2016-2017 fiscal year, the sum of the following:
 - a. The salary the principal received in the 2016-2017 fiscal year pursuant to Section 9.1 or Section 9.2 of S.L. 2016-94.
 - b. The longevity that the principal would have received as provided for State employees under the North Carolina Human Resources Act for the 2016-2017 fiscal year based on the principal's current years of service.
- (3) For principals who were not eligible for longevity in the 2016-2017 fiscal year, the salary the principal received in the 2016-2017 fiscal year pursuant to Section 9.1 or Section 9.2 of S.L. 2016-94.

PART V. PRINCIPAL BONUSES

SECTION 5.(a) As used in this section, the term "qualifying principal" shall refer to a principal who meets all of the following criteria:

- (1) Received a bonus in the 2019-2020 fiscal year pursuant to Section 2.4 of S.L. 2019-247.
- (2) Is employed as a principal in a public school as of October 1, 2020.

SECTION 5.(b) No later than October 31, 2020, the Department of Public Instruction shall administer a one-time, lump sum bonus to any qualifying principal that is equal to the amount that qualifying principal received pursuant to Section 2.4 of S.L. 2019-247.

SECTION 5.(c) The bonuses awarded pursuant to this section shall be in addition to any regular wage or other bonuses the principal receives or is scheduled to receive.

SECTION 5.(d) Notwithstanding G.S. 135-1(7a), the bonuses awarded pursuant to this section are not compensation under Article 1 of Chapter 135 of the General Statutes, the Teachers' and State Employees' Retirement System.

SECTION 5.(e) The bonuses awarded pursuant to this section do not apply to any principal no longer employed as a principal due to resignation, dismissal, reduction in force, death, or retirement or whose last workday is prior to October 1, 2020.

SECTION 5.(f) It is the intent of the General Assembly that funds provided pursuant to this section will supplement principal compensation and not supplant local funds.

PART VI. ASSISTANT PRINCIPAL SALARIES

SECTION 6.(a) For the 2020-2021 fiscal year, beginning July 1, 2020, assistant principals shall receive a monthly salary based on the salary schedule for teachers who are classified as "A" teachers plus nineteen percent (19%). An assistant principal shall be placed on the step on the salary schedule that reflects the total number of years of experience as a certified employee of the public schools. For purposes of this section, an administrator with a one-year provisional assistant principal's certificate shall be considered equivalent to an assistant principal.

SECTION 6.(b) Assistant principals with certification based on academic preparation at the six-year degree level shall be paid a salary supplement of one hundred twenty-six dollars (\$126.00) per month and at the doctoral degree level shall be paid a salary supplement of two hundred fifty-three dollars (\$253.00) per month.

SECTION 6.(c) Participants in an approved full-time master's in school administration program shall receive up to a 10-month stipend at the beginning salary of an assistant principal during the internship period of the master's program. The stipend shall not exceed the difference between the beginning salary of an assistant principal plus the cost of tuition, fees, and books and any fellowship funds received by the intern as a full-time student,

including awards of the Principal Fellows Program. The Principal Fellows Program or the school of education where the intern participates in a full-time master's in school administration program shall supply the Department of Public Instruction with certification of eligible full-time interns.

SECTION 6.(d) Beginning with the 2017-2018 fiscal year, in lieu of providing annual longevity payments to assistant principals on the assistant principal salary schedule, the amounts of those longevity payments are included in the monthly amounts provided to assistant principals pursuant to subsection (a) of this section.

SECTION 6.(e) An assistant principal compensated in accordance with this section for the 2020-2021 fiscal year shall receive an amount equal to the greater of the following:

- (1) The applicable amount on the salary schedule for the applicable year.
- (2) For assistant principals who were eligible for longevity in the 2016-2017 fiscal year, the sum of the following:
 - a. The salary the assistant principal received in the 2016-2017 fiscal year pursuant to Section 9.1 or Section 9.2 of S.L. 2016-94.
 - b. The longevity that the assistant principal would have received as provided for State employees under the North Carolina Human Resources Act for the 2016-2017 fiscal year based on the assistant principal's current years of service.
- (3) For assistant principals who were not eligible for longevity in the 2016-2017 fiscal year, the salary the assistant principal received in the 2016-2017 fiscal year pursuant to Section 9.1 or Section 9.2 of S.L. 2016-94.

PART VII. STATE AGENCY TEACHERS

SECTION 7. Employees of schools operated by the Department of Health and Human Services, the Department of Public Safety, and the State Board of Education who are paid on the Teacher Salary Schedule shall be paid as authorized under this act.

PART VIII. APPROPRIATION AND ADJUSTMENT FOR AVERAGE PUBLIC SCHOOL EMPLOYEE SALARIES

SECTION 8.1.(a) Section 3.15(e) of S.L. 2019-209 reads as rewritten:

"SECTION 3.15.(e) Effective July 1, 2020, the maximum annual employer contributions, payable monthly, by the State for each covered employee or retiree for the 2020-2021 fiscal year to the State Health Plan for Teachers and State Employees are (i) for Medicare-eligible employees and retirees, five thousand ~~one hundred sixty-five dollars (\$5,165)~~ twenty-one dollars (\$5,021) and (ii) for non-Medicare-eligible employees and retirees, six thousand ~~six hundred forty-seven dollars (\$6,647)~~ four hundred sixty-one dollars (\$6,461)."

SECTION 8.1.(b) If House Bill 1218, 2020 Regular Session, becomes law, then subsection (a) of this section is repealed.

SECTION 8.1.(c) If House Bill 1218, 2020 Regular Session, becomes law, then Section 3.15(e) of S.L. 2019-209, as amended by Section 1(d) of House Bill 1218, 2020 Regular Session, reads as rewritten:

"SECTION 3.15.(e) Effective July 1, 2020, the maximum annual employer contributions, payable monthly, by the State for each covered employee or retiree for the 2020-2021 fiscal year to the State Health Plan for Teachers and State Employees are (i) for Medicare-eligible employees and retirees, ~~five thousand sixty-one dollars (\$5,061)~~ four thousand nine hundred sixteen dollars (\$4,916) and (ii) for non-Medicare-eligible employees and retirees, six thousand ~~five hundred twelve dollars (\$6,512)~~ three hundred twenty-six dollars (\$6,326)."

SECTION 8.2. No later than August 15, 2020, the Office of State Budget and Management shall adjust the appropriations for State Health Plan contributions of all applicable agencies, departments, or institutions to reflect the changes implemented in Section 8.1 of this act, representing a decrease in General Fund net appropriations totaling forty-seven million two

1 hundred twenty-seven thousand seven hundred twenty-eight dollars (\$47,227,728) in recurring
2 funds for the 2020-2021 fiscal year. It is the intent of the General Assembly to restore employer
3 contribution rates for Retiree Health and to the State Health Plan to the amounts in S.L. 2019-209,
4 as originally enacted on August 30, 2019, in the event the federal government provides additional
5 relief funds or additional flexibility on existing relief funds that can be used to support the
6 General Fund.

7 **SECTION 8.3.** Before August 15, 2020, the State Controller shall transfer the sum
8 of eight million nine hundred forty-two thousand three hundred seventy-six dollars (\$8,942,376)
9 in nonrecurring funds for the 2020-2021 fiscal year from the IT Reserve Fund (Budget Code:
10 24667) to the Department of Public Instruction. The funds transferred pursuant to this section are
11 appropriated to the Department of Public Instruction, in addition to the funds appropriated from
12 the General Fund in Section 8.4 of this Part, for the purposes identified in Section 8.4 of this Part.

13 **SECTION 8.4.** From the funds made available pursuant to this Part, there is
14 appropriated from the General Fund to the Department of Public Instruction the sum of
15 forty-seven million two hundred twenty-seven thousand seven hundred twenty-eight dollars
16 (\$47,227,728) in nonrecurring funds for the 2020-2021 fiscal year, in addition to the funds
17 appropriated to the Department of Public Instruction in Section 8.3 of this Part, to reflect an
18 increase in the average salary of various public school employee positions.

19 20 **PART IX. MISCELLANEOUS**

21 **SECTION 9.(a)** The provisions of the State Budget Act, Chapter 143C of the
22 General Statutes, are reenacted and shall remain in full force and effect and are incorporated in
23 this act by reference.

24 **SECTION 9.(b)** Except where expressly repealed or amended by this act, the
25 provisions of any other legislation enacted during the 2019 Regular Session of the General
26 Assembly expressly appropriating funds to an agency, a department, or an institution covered
27 under this act shall remain in effect.

28 **SECTION 9.(c)** Departmental receipts, as defined in G.S. 143C-1-1, are
29 appropriated for the 2020-2021 fiscal year up to the amounts needed to implement the provisions
30 in this act for the 2020-2021 fiscal year.

31 32 **PART X. EFFECTIVE DATE**

33 **SECTION 10.** This act becomes effective July 1, 2020.